Agenda - Executive Policy Committee - June 18, 2003

Report - Standing Policy Committee on Public Works - June 10, 2003

Item No. 1 Award of Contract for the Provision of Handi-Transit Services - RFP 25-2003
File GL-9

STANDING COMMITTEE RECOMMENDATION:

The Standing Policy Committee on Public Works concurred in the administrative recommendation and submits the following to Council, namely:

1. That the contract for the provision of Handi-Transit services as outlined in RFP 25-2003, for the period of December 15, 2003 to December 14, 2010, be awarded to Urban Transit Ltd. in the approximate total amount of $3,433,318.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing, including the execution of any documents related thereto.

Agenda - Executive Policy Committee - June 18, 2003

Report - Standing Policy Committee on Public Works - June 10, 2003

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On June 10, 2003, the Standing Policy Committee on Public Works concurred in the administrative recommendation and submitted the matter to Executive Policy Committee and Council.

Re: AWARD OF CONTRACT FOR THE PROVISION OF HANDI-TRANSIT SERVICES - RFP 25-2003

For submission to: Standing Policy Committee on Public Works

Submitted by: Director of Transit

Report date: May 20, 2003

Recommendations:

That the contract for the provision of Handi-Transit services as outlined in RFP 25-2003, for the period of December 15, 2003 to December 14, 2010, be awarded to Urban Transit Ltd. in the approximate total amount of $3,433,318.

Report Summary

Key Issues:

- Handi-Transit service delivery is 100% contracted out to the private sector.
- In 2001, contracts for approximately 73% of the Handi-Transit service delivery were awarded commencing July 1st, 2001 for a five-year term.
- In 2002, contracts for approximately 20% of the Handi-Transit service delivery were awarded commencing June 15th, 2002 for a five-year term.
- The work contained in RFP 25-2003 constitutes approximately 7% of Handi-Transit service delivery.
- While the unit price of the recommended offerer is not the lowest, the proposal recommended is considered to be the most advantageous to the City, on the basis of the evaluation criteria contained in the RFP.

Implications of the Recommendations:

General Implications

None

For the organization overall and/or for other departments

For the community and/or organizations external to the City of Winnipeg

X Involves a multi-year contract

Comment:

The contract recommended will run from December 15th, 2003 until December 14, 2010.

Policy implications

X No

Yes

Comment:

Environmental implications

X No

Yes

Human Resource implications

X No

Yes

Financial Implications

X Within approved current and/or capital budget

Current and/or capital budget adjustment required

Comment:

Represents a commitment against current and future current operating budgets for the years 2003 to 2010. The unit prices bid are very advantageous to the City, and will offer the department the opportunity to accommodate anticipated additional service requests not contained in the current budget.

Report

Reason for the report:

Council approval is required for the award of multi-year contracts.

History:

Handi-Transit service began in 1977. Between 1977 and 1988 all Handi-Transit service was delivered by Winnipeg Transit bus operators, utilizing Winnipeg Transit Handi-Transit vans. In 1988, Winnipeg Transit began to accommodate the increasing demand for Handi-Transit service by contracting out the increasing service requirement to private contractors.

In 1996, Council approved contracting out 100% of Handi-Transit service delivery. Contracts were awarded in 1996 for a five-year period covering approximately 85% of the work. A further RFP was issued in 1997 and a five-year contract issued for the remainder of the work.

In 2001, an RFP was issued to replace the contracts expiring on June 30th, 2001. Eight different contracts, covering approximately 73% of the total service requirement were awarded for a period of five years, expiring June 30th, 2006.

In 2002, an RFP was issued for the provision of public transportation services for persons with disabilities for approximately 20% of the total contracted service. The work was awarded to two existing Handi-Transit service providers and two new service providers.

The work contained in RFP 25-2003 constitutes approximately 7% of Handi-Transit service delivery, and involves the use of buses to accommodate passengers using larger than average mobility devices, who are not able to use the conventional accessible vans used to provide Handi-Transit service for the majority of passengers using wheelchairs.

Discussion:

RFP 25-2003 requested offerers to respond with proposals for public transportation for persons with disabilities defined as:

(a) ambulatory disabled persons and some wheelchair bound persons who can transfer without assistance; and
(b) wheelchair bound persons who require the use of a wheelchair accessible vehicle.

Work under this contract is provided on an hourly basis, with an approximate quantity of 15,448 annual vehicle hours.

Vehicles used for this contract are defined as a vehicle meeting the D409 standards equipped with a wheelchair lift (or a low floor vehicle not requiring a wheelchair lift) with a passenger capacity of at least 4 wheelchairs and 4 seated passengers. This Handi-Transit vehicle used

must be able to accommodate the random on and off loading of all passengers, especially those using mobility devices (such as wheelchairs), in such a manner that does not inconvenience or cause discomfort to any other passenger in the vehicle.

Responsive proposals were received from the following companies in this regard:

- River City Transit
- Wheelchair Services of Manitoba Inc.
- Blue Ribbon Transit
- 4523784 Manitoba
- Local Business Times
- Safe Transit
- Urban Transit Ltd.
- Kingsway Transportation Ltd.
- JT Transit

Evaluation of Offers

Bids were evaluated based on the following evaluation criteria as defined in SC: 12 of the RFP:

(a) Conformance of the Offerer's Bid Submission with the requirements of the RFP……pass/fail;

(b) Qualifications of the Offerer ..... pass/fail;

? All responsive bid submissions conformed with the requirements of the RFP as well as met the qualifications defined in BI:9.

(c) Industry experience of key personnel 10%

? Evaluation of industry experience of key personnel was based on the amount of experience with full points being received for the most experience, and others being pro-rated.

? Each proposal contained varying degrees of qualified key personnel with significant industry experience.

(d) Present value of the total contract price per unit 70%

? Present value of the contract price was evaluated on unit price, based on a per vehicle hour basis. Present value was determined using a discount rate of six (6) per cent per year. The lowest bid received the most points, with higher priced bids pro-rated accordingly.

? Attached as Appendix A is a summary of the proposal prices by section, the present value of each contract proposal, and the financial points assigned for evaluation purposes.

(e) Business Plan 5%

? Offerers were required to submit a business plan, which would outline "start up" plans if appropriate, operational plans, etc. Business plan evaluation was based on completeness.

? Each proposal contained a business plan.

(f) References 15%

? The Offerer was required to submit the names of three (3) industry related references. Reference checks were not restricted to only those submitted by the contractor, and included organizations representing persons with disabilities, Handi-Transit advisory committees, companies or individuals known to have done business with the offerer.

? Handi-Transit experience with the offerer in areas such as driver behaviour, cleanliness of vehicles, safe operation of vehicles, demonstrated sensitivity to persons with disabilities and compliance with contract specifications were considered.

The following is a summary of the evaluations on each offer received.

	EVALUATION						
Offerer	Conformance of Bid Submission	Qualifications of Offerer (BI:09)	Present value of total Contract Price per unit	Industry Experience of Key Personnel	References	Business Plan	Total
	pass/fail	pass/fail	70%	10%	15%	5%	100%
Urban Transit Ltd.	pass	pass	67	10	15	5	97
JT Transit	pass	pass	70	9	12	4	95
River City Transit	pass	pass	65	8	15	4	92
Safe Transit	pass	pass	63	8	15	4	90
Blue Ribbon Transit	pass	pass	64	10	12	3.5	89.5
Local Business Times	pass	pass	61	9	15	4	89
Wheelchair Services of Manitoba Inc.	pass	pass	57	10	15	4.5	86.5

Kingsway Transportation Ltd.	pass	pass	61	7	12	4	84
4523784 Manitoba	pass	pass	58	7	15	5	83

Winnipeg Transit is satisfied that Urban Transit Ltd. has provided the proposal considered to be most advantageous to the City and has the necessary resources to perform all the work in accordance with the requirements of the specifications and meets all the requirements of the specifications. Urban Transit Ltd. has satisfactorily carried out previous work of a similar nature. In addition, the offerer has included a number of upgrades to the vehicle type proposed, including an upgraded wheelchair lift, upgraded seats and air conditioning.

The next evaluated offer, submitted by JT Transit contains the lowest unit price, however, in accordance with the evaluation criteria, the proposal was also evaluated in areas such as references, industry experience and business plan. As a result, the offer from Urban Transit Ltd. has been determined as the most advantageous to the City of Winnipeg.

While the unit price offered by Urban Transit Ltd. is not the lowest, the unit prices submitted are in fact lower than the current prices being paid under the expiring contract. Current hourly rate for this work is $ 35.27. See Appendix A for bid summary.

Financial Impact

Project Name: Provision of Handi-Transit Services - RFP 25-2003

Date: May 20, 2003 **First Year of Program** **2003**

	2003	2004	2005	2006	2007
Capital					
Capital Expenditures Required					
Less: Existing Budgeted Costs					
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal					
Debt - External					
Grants (Enter Description Here)					
Reserves, Equity, Surplus					
Other - Enter Description Here					
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 21,594	$ 456,265	$ 479,536	$ 491,023	$ 502,602
Less: Incremental Revenue/Recovery					
Net Cost/(Benefit)	$ 21,594	$ 456,265	$ 479,536	$ 491,023	$ 502,602
Less: Existing Budget Amounts	21,594	456,265	479,536	n/a	n/a
Net Budget Adjustment Required	$ -	$ -	$ -	n/a	n/a

Additional Comments:The unit prices offered in response to this proposal are less than budgeted. Any savings from this will be used to supply increased demand. The current budget shown for 2004 and 2005 are an administrative budget and require Council approval.

Manager of Finance & Administration

IN PREPARING THIS REPORT THERE WAS CONSULTATION WITH, AND CONCURRENCE BY:

None

This Report Submitted By:	Nancy Kurmann
Department:	Transit
Division:	Handi-Transit
Prepared by:	Nancy Kurmann, Manager of Handi-Transit
File No.	

BID SUMMARY RFP 25-2003																Appendix A			
Offerer	Annual Quantity Bid	Unit Price Bid							Extended Value Price Bid							Total Extended Value	Total Discounted Value Price Bid	Discounted Unit Price	Points
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7				
JT Transit	15,448	27.65	28.48	29.33	30.21	31.12	32.05	32.98	427,137	439,959	453,090	466,684	480,742	495,108	509,475	3,272,195	2,659,965	24.60	70
Urban Transit Ltd.	15,448	29.50	30.25	31.00	31.75	32.50	33.25	34.00	455,716	467,302	478,888	490,474	502,060	513,646	525,232	3,433,318	2,794,701	25.84	67
River City Transit	15,448	28.95	29.95	30.95	32.45	33.95	35.45	36.95	447,220	462,668	478,116	501,288	524,460	547,632	570,804	3,532,185	2,863,242	26.48	65
Blue Ribbon Transit	15,448	29.95	30.95	31.95	32.95	33.95	34.95	35.55	462,668	478,116	493,564	509,012	524,460	539,908	549,176	3,556,902	2,891,550	26.74	64
Safe Transit	15,448	29.95	30.95	31.95	33.45	34.95	36.65	37.95	462,668	478,116	493,564	516,736	539,908	566,169	586,252	3,643,411	2,953,985	27.32	63
Kingsway Transportation Ltd.	15,448	31.95	32.91	33.90	34.91	35.95	37.00	38.11	493,564	508,394	523,687	539,290	555,356	571,576	588,723	3,780,589	3,073,298	28.42	61
Local Business Times	15,448	32.40	33.00	33.50	33.90	35.90	36.90	38.90	500,515	509,784	517,508	523,687	554,583	570,031	600,927	3,777,036	3,069,910	28.39	61
4523784 Manitoba	15,448	35.00	35.50	36.00	36.50	37.00	37.50	38.00	540,680	548,404	556,128	563,852	571,576	579,300	587,024	3,946,964	3,220,257	29.78	58
Wheelchair Services of Manitoba Inc.	15,448	37.00	37.00	37.00	37.00	37.00	37.00	37.00	571,576	571,576	571,576	571,576	571,576	571,576	571,576	4,001,032	3,274,797	30.28	57